

Linnea M Hanson
John Taylor
3120 Titanic Avenue
El Paso Texas 79904

Monday, July 07, 2008

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington DC 20551

RE: Unfair or Deceptive Acts or Practices

Thank you for conducting this investigation. My many complaints to Bank of America by phone and writing have gone ignored, and any hope of ever getting our money back from them is gone. I appreciate so much the avenue to report them to you. I would call their banking practices unfair to say the least; highway robbery and persecution would be more accurate.

My husband and I have had a joint checking account with Bank of America since its acquisition of Nations Bank in approximately 1999 and my husband has held a Business Checking Account there since 2000. In that time Bank of America has absorbed \$5,200.00 out of our joint account due to overdraft fees by allowing the debit card to be approved when the account is overdrawn. My husband's business checking account has incurred over \$10,000 in overdraft fees for this same reason. In 90% of these situations the accounts have only been overdrawn \$30-\$200. Recently (April '08) they allowed over 30 debits in a 10 day period and charged our account \$1,300.00. These 30 debits did not even total over \$400. Needless to say, if the debit card had not worked one of us would have looked into the account and transferred funds or paid for the items another way.

In past years when these situations have occurred we would deposit or wire transfer a large sum into the account as we were in the real estate business and real estate transaction closings often involve large sums that would cover these overdrafts. And the bank was obviously well aware of this. I tried numerous times to call the bank, asked them to not authorize the debits (clearly a money making scheme, is this feature supposed to be doing their customers a favor?), begged for refunds when the debits amounted to

\$2.50 (and they charged \$35) and at times they would begrudgingly credit \$200. No amount of pleading or arguing would work.

I am forwarding you a copy of a letter I wrote to them in 2006 which got no reply. My husband never had the time to take to go into the bank and beg for consideration when these situations occurred and the bank refused to talk to me about his business account. Perhaps he has more pride and better things to do than to take the time to go begging for refunds. All of my requests to stop this practice fell on deaf ears. They knew large deposits would be made to cover these charges and persisted with this form of consumer robbery and persecution until this day, when the real estate business died, and no funds from closing came forward. Both accounts of which I write about are overdrawn to this day and we have no intention of paying these extortion fees.

Good banks should be like friends, and the longer you keep accounts they should become good old friends. As the years have progressed we have gone from friends to a corporation that we hate.

As the real estate business has died, it looks like Bank of America's gouging schemes have ended for them as far as we are concerned. We never really had enough money for us to matter to them, but apparently had enough money for them to take from us.

All of my statements can be substantiated with documentation. Who could make this up?

Thank you for your time and interest.

Linnea Hanson
And John Taylor

Lh/s
Encl.

Cc: Bank of America Corporate Center
100 North Tryon St
Charlotte, NC 28255

John Taylor and Linnea Hanson
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915/751-1470

5-206

Ms. Teresa Garcia
Small Business Banking
Bank of America
416 N Stanton St
El Paso TX 79901

RE: John Taylor d/b/a Pepperdyne Construction Co, Account #
Linnea Hanson and John Taylor Joint Checking Account #

Dear Ms. Garcia:

We had originally addressed this letter to Tom Hernandez, to find out this morning he is no longer with Bank of America. As we truly appreciated his knowledge and guidance in the beginning of our banking relationship with Bank of America I wanted to bring this situation to his attention in the hopes that perhaps he could rectify matters before we take this to court. I'll bring this to your attention now Ms. Garcia as you are in the Small Business Banking Department and one of our accounts is a small business account. There is also nowhere else to turn as any kind of "personal banker" is a thing of the past.

Last month Bank of America absorbed \$1,326.00 of our funds from the Pepperdyne Checking Account and \$850.00 from our joint checking account by way of fees deducted due to "non sufficient funds" and "overdrafts". I made every attempt to cover these by way of online transfers and credit card cash withdrawals promptly deposited into these accounts, which amounted to nothing more than paying the bank charges and again appearing overdrawn.

The bank charging \$34.00 for paying a \$2.72 debit is nothing more than highway robbery. I have documented evidence proving that consumers are taking banks to court over this and winning. Bank charges are not legally enforceable. Penalty clauses in contracts aren't legal if the penalty exceeds the actual cost of the breach of either party. We all know that it does not cost a bank \$34.00 to pay a debit or check (or return it) and luckily so do judges and the banks know too. It's purely a money making scheme, and a lucrative one at that.

Clearly our cash flow was low at the time. What is very disturbing is that we were awaiting funding from Bank of America Mortgage on a house sale that we were selling to buyers obtaining a mortgage from Bank of America. This was a virtually brand new house that John renovated. In order to speed up the mortgage process John ordered (and paid) for an appraisal from an appraisal company on Bank of America's "approved appraisal company list" as stated by Victor, the mortgage loan officer from Bank of America. Upon receipt of this appraisal, he then decided to order another appraisal, from Bank of America's in house appraisal department. The bank's appraisal came in with a \$6,000 lower home value, which we could not accept as we would not make a profit. This home was completely renovated.

The in house appraisal was under value. Bank of America's mortgage loan officer's shenanigans caused another month of delays and resulted in our loosing \$2,176.00 in bank charges. John took this up with a bank associate on Dyer on his business account and was grudgingly credited \$600.00 on April 24th. But the bank refuses to credit anything on our joint checking account. I left a message with Maureen this morning at the 800 number customer service center and the call has yet to be returned.

We have paid thousands of dollars in bank charges over the years, because we appreciated you, and realized our responsibility in these matters. But our subcontractors still have to be paid, and their families still have to eat. We take it on faith that the bank will honor their commitment. And when the bank doesn't, we still have to pay the workers and absorb the excessive bank charges? I don't think so. That will not work for long.

I am requesting that we be credited for these bank charges. The amount is now \$1,576.00. I hope there is something you can do about this. We have all documentation to prove the charges if needed. Thank you for your time and consideration. We look forward to hearing from you soon.

Sincerely,

Linnea Hanson

Lh/s